

SECOND REGULAR SESSION

SENATE BILL NO. 1075

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR LOUDON.

Read 1st time February 20, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

4903S.011

AN ACT

To repeal section 287.717, RSMo, and to enact in lieu thereof one new section relating to workers' compensation deductible surcharge collection.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 287.717, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 287.717, to read as follows:

287.717. 1. Beginning January 1, 2004, the administrative surcharge
2 established pursuant to section 287.716 shall be collected from deductible plan
3 policyholders by each insurer at the same time and in the same manner that the
4 premium is collected, but no insurer or its agent shall be entitled to any portion
5 of the administrative surcharge as a fee or commission for its collection. The
6 administrative surcharge is not subject to any taxes, licenses, or fees.

7 2. All administrative surcharges imposed pursuant to section 287.716 shall
8 be paid to the Missouri director of revenue and shall be deposited to the workers'
9 compensation administrative fund.

10 3. [The amount of the administrative surcharge due for the current
11 calendar year shall be paid in four approximately equal estimated quarterly
12 installments, and a fifth reconciling installment. The first four installments shall
13 be based upon the amount of administrative surcharge payable in the calendar
14 year for which the surcharge is imposed. The quarterly installments shall be
15 made on the first day of March, the first day of June, the first day of September,
16 and the first day of December. On or before the first day of March of each year,
17 every such insurer shall submit a report, verified by the affidavit of its president
18 and secretary or other chief officers or agents, to the director of the department
19 of insurance, stating the amount of all such total premiums which would have

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

20 been paid for the deductible portion.

21 4. If after the end of any calendar year, the amount of the actual
22 administrative surcharge due is less than the total amount of the installments
23 actually paid, the amount by which the amount paid exceeds the amount due
24 shall only be credited against the administrative surcharge for the following year
25 and deducted from the quarterly installment due on June first and any other
26 payments required by this section until the credit is exhausted. In the event no
27 such payments are due and upon application of the insurer, the director of
28 revenue may refund the amount of credit if no other obligation is owed to the
29 state.

30 **5.] Such surcharge amounts shall be paid quarterly by**
31 **insurers. Insurers shall pay the amounts not later than the thirtieth day**
32 **of the month following the end of the quarter in which the amount is**
33 **received from policyholders. The administrative surcharge amounts**
34 **shall be deemed paid to the state if they are postmarked by the United**
35 **States post office or received by the thirtieth day of the month following**
36 **the end of the quarter in which the amount is owed. If the director of**
37 **the division of workers' compensation fails to calculate the surcharge by**
38 **the thirty-first day of October of any year for the following year, any**
39 **increase in the surcharge ultimately set by the director shall not be**
40 **effective for any calendar quarter beginning less than sixty days from**
41 **the date the director makes such determination.**

42 4. If a deductible plan policyholder fails to make payment of the
43 administrative surcharge, or an insurer fails to make timely transfer to the
44 director of revenue of administrative surcharges actually collected from deductible
45 plan policyholders, as required by this section, a late charge of one-half of one
46 percent of the administrative surcharge unpaid, or transferred, shall be assessed
47 against the liable deductible plan policyholder or insurer. Late charges assessed
48 pursuant to this subsection shall be collected in a civil action by a summary
49 proceeding brought by the director of the division of workers' compensation.

50 **[6.] 5.** If the administrative surcharges imposed by this section are not
51 paid when due, the deductible plan policyholder or insurer shall be required to
52 pay, as part of such administrative surcharge, interest thereon at the rate of one
53 and one-half percent per month for each month or fraction thereof delinquent. In
54 the event the state prevails in any dispute concerning an assessment of the
55 administrative surcharge, which has not been paid by the policyholder or insurer,
56 interest shall be paid upon the amount found due to the state at the rate of one

57 and one-half percent per month for each month or fraction thereof delinquent.

58 **6. On or before the first day of March of each year such insurer**
59 **shall submit a report, verified by the affidavit of its president and**
60 **secretary or other chief officers or agents, to the director of the division**
61 **of workers' compensation, stating the amount of all such total premiums**
62 **that would have been paid for the deductible policies during the prior**
63 **calendar year.**

64 7. The division may authorize electronic transfer of all forms, reports,
65 payments, and other information deemed appropriate by the division as required
66 pursuant to this section and sections 287.690, 287.710, 287.715, and
67 287.716. Information filed pursuant to this section and sections 287.690, 287.710,
68 287.715, and 287.716 and under any rules promulgated by the division pursuant
69 to this section and sections 287.690, 287.710, 287.715, and 287.716 shall be
70 confidential and not subject to chapter 610, RSMo.

71 8. This section shall not apply to any employer or group of employers
72 authorized by the division to self-insure their liability pursuant to this chapter.

Bill ✓

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